

**HELM-ATLANTIC ASSOCIATES
LIMITED PARTNERSHIP**

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

VIA AIR COURIER

June 3, 1997

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

RECORDATION NO. 1

8905-P
FILED

JUN 4 '97

10-57 AM

JUN 4 10 57 AM '97

RECEIVED
SURFACE TRANSPORTATION
BOARD

Dear Mr. Williams:

On behalf of Helm-Atlantic Associates Limited Partnership, I submit for filing and recording, under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder the following document:

Three (3) fully executed originals of the Partial Termination of Security Agreement dated April 23, 1997 ("**Partial Termination**") by NationsBank of Virginia, N.A., a national banking association, for the benefit of Helm-Atlantic Associates Limited Partnership.

In connection with the recording of the Partial Termination, please note the following information:

Name and Address of Helm: Helm-Atlantic Associates Limited Partnership
c/o Helm Atlantic Corporation
One Embarcadero Center, Suite 3700
San Francisco, CA 94111

Name and Address of Agent: NationsBank of Virginia, N.A.
1111 East Main Street
4th Floor Pavilion
Richmond, VA 23277-0001

Equipment: Two (2) locomotives, more fully described in
Exhibit A to the Partial Termination.

Previous STB Filing: Security Agreement filed under Recordation No.
18905. P

Please file the Partial Termination under the next available recordation number and return two (2) endorsed originals to my attention. A check covering the filing fee of twenty-four dollars (\$24.00) is enclosed.

Sincerely,

P. Hapin

Patrick Hapin
Document Administrator

/ph
Enclosures (3)

SURFACE TRANSPORTATION BOARD
WASHINGTON, D. C. 20423-0001

OFFICE OF THE SECRETARY


Patrick Hapin
Document Administrator
Helm Financial Corporation
One Embarcadero Center
San Francisco, CA., 94111

DATE: 6/4/97

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301
and 49 CFR 1177.3 (c), on 6/4/97 at 10:57 AM and 11:00AM, and
assigned recordation number(s). 17567-C, 18905-P, 18905-Q, 20703, 20804, 13690-I,
16229-C, 18007-B, 19430-A and 19822-A.

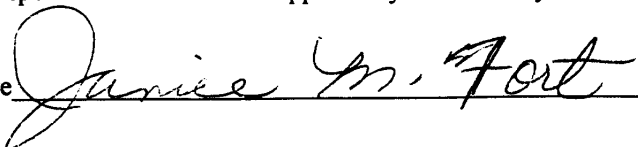
Sincerely Yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$ 240.00 The amount indicated at the left has been received in payment of a fee in
connection with a document filed on the date shown. This receipt is issued for the amount paid.
In the event of an error or any questions concerning this fee, you will receive a notification after
the Surface Transportation Board has an opportunity to examine your document.

Signature



PARTIAL TERMINATION OF
SECURITY AGREEMENT

JUN 4 '97 10-57 AM

THIS PARTIAL TERMINATION OF SECURITY AGREEMENT ("Partial Termination") is made as of April 23, 1997, by NATIONSBANK, N.A., a national banking association, as agent ("NationsBank"), for the benefit of HELM-ATLANTIC ASSOCIATES LIMITED PARTNERSHIP, a Delaware limited partnership ("Helm-Atlantic Associates").

1. Recitals. Helm-Atlantic Associates owns the two (2) GP38 locomotives bearing the Association of American Railroads reporting marks and numbers as listed on Exhibit A attached hereto (the "Unit(s)"). Helm-Atlantic Associates has granted a blanket security interest in all of its assets now owned or hereafter acquired (the "Collateral"), to NationsBank upon the terms and conditions provided in that certain Security Agreement dated as of July 20, 1994 between Helm-Atlantic Associates and NationsBank (the "Security Agreement") and filed at the Surface Transportation Board of the Department of Transportation ("STB"), formerly known as the Interstate Commerce Commission, under Recordation No. 18905.

Helm-Atlantic Associates intends to sell the Units to a third party and it desires that such sale shall be free and clear of any lien or security interest of NationsBank. Pursuant to the terms granted under the Security Agreement, Helm-Atlantic Associates requests NationsBank's consent to such sale of the Units and request NationsBank to terminate its security interest in the Units.

2. Termination of Security Interest. NationsBank hereby consents to the sale of the Units by Helm-Atlantic Associates and NationsBank hereby terminates any and all security interests in the Units granted to it under the Security Agreement which security interest in the Units shall be forever terminated upon the filing of this Partial Termination with the STB, at which time all of NationsBank's right, title and interest in and to the Units shall be and become null and void.

This Partial Termination shall have no effect on NationsBank's security interest in and lien on any other collateral other than the Units and said security interest in and lien on such other collateral is hereby reaffirmed.

IN WITNESS WHEREOF, pursuant to due authority, NationsBank has executed this Partial Termination of Security Agreement on the date indicated below its signature.

NATIONSBANK, N.A., as Agent

By: *E. Turner Coggins*

Title: *Senior Vice President*

Date: *5/10/97*

STATE OF VIRGINIA

)

) S.S.

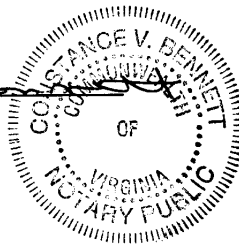
COUNTY OF RICHMOND

)

On this 12th day of May, 1997, before me, personally appeared E. Turner Oggin to me personally know, who being by me duly sworn, says that he/she is a Sr. Vice President of NATIONSBANK, N.A., that said instrument was signed on behalf of said association by authority of its Board of Directors; and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Constance V. Bennett

Notary Public



My Commission Expires:

5-31-97

EXHIBIT A

Description of the Units:

Two (2) GP38 2000 horsepower, four-axle, diesel electric locomotives.

Unit Numbers:

HATX 116, HATX 177.